

**Before the  
Federal Communications Commission  
Washington, DC 20554**

In the Matter of

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Reply Comments of

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Oregon Department of Education

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WC Docket No. 13-184

Modernizing the E-rate Program for

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Schools and Libraries

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Oregon Department of Education

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## **I. INTRODUCTION**

Oregon Department of Education (ODE) has supported the E-Rate program since its inception in 1998. The state of Oregon currently serves 197 School Districts, 1,250 Public Schools, 127 Public Charter Schools, and 19 Regional Education Service Districts. In the first four (4) funding years in relation to the Second Modernization Order, the state of Oregon school based applications have been committed \$30,294,749.51, \$26,676,753.81 of which has already been disbursed. In this final year of the Category 2 Budget pilot, Oregon applicants have requested \$7,760,964.64, \$3,231,230.44 of which has already been committed during the application review process. We saw a significant increase of E-Rate program participation throughout the state with the implementation of the Category 2 Budget process, as well as special construction opportunities, both of which were released in the Second Modernization Order.

In detail below, we support many of the ideas in this Notice of Proposed Rulemaking released by the Commission with a few exceptions and suggestions.

## **II. CATEGORY 2 BUDGETS**

We fully support permanently extending the category two budget approach. The current process has allowed districts more flexibility and time to make budgetary decisions regarding Category 2 purchases. We strongly object to the option of bringing back the two-in-five rule. We often received feedback from districts that the complications of the two-in-five rule were too complex between the tracking and restricted option to purchase year to year. Many of those applicants are now regular participants with the Category 2 Budget process.

We also support an increase in the budget floor to \$25,000 and encourage an increase to the per pupil amount to a minimum of \$250.00 per student. The current floor (\$9,793.04 for funding year 2019) does not always allow smaller districts to build or expand their network. For example, any applicant requiring an upgrade to their entire network, or possibly the creation of a network for a new school, is partially funded by E-Rate with the current floor, but the district cannot sustain the impact of their non-discounted share. Some smaller districts throughout our state have struggled to receive bids, which may require them to pay for services at a much higher cost.

We believe budgets should be created and spent district wide (eliminating cost allocation and entity budgets), allowing the applicant to make the best decisions based on the applicant's needs. Applicants should still be responsible for the location and tracking of all equipment. We also suggest that all buildings, more specifically non-instructional facilities, should be eligible for Category 2 Budget spending. This supports the idea of educational purpose would significantly decrease the amount of cost allocations applicants

are required to provide. We also suggest budgets reflect actual student enrollment each year. The change in enrollment for a five year period could have a significant impact on a district and its infrastructure. Most times, the growth requires upgrades and/or new facilities to accommodate the higher enrollment numbers. This also gives the most accurate data in terms of enrollment at each district. Lastly, school districts manage their budgets on a district basis. Schools are required to have governing boards that are responsible for making budgetary decisions. Requiring districts to manage the budgets of individual buildings for E-rate funding often times conflicts with their internal budgeting practices.

We strongly support the idea of a fixed budget cycle. Not only does this allow applicants to develop technology plans accordingly in five year increments, it also allows districts an opportunity to complete major projects with E-Rate funds. Planning for a large project across two budget cycles can significantly impact a district's budget and infrastructure, as well as the timeline of completion. We recommend beginning the first fixed year cycle in 2020, and each district receiving a new 5 year budget. Any remaining budget from funding years 15-19 will not be spent. We strongly oppose a rolling budget, as those processes would likely create confusion between funding years. Many of the districts in our state rely on our services for training, tracking, deadlines and advising. A rolling budget would mean applicants will be on different cycles, which can be confusing not only for us at the state level and our applicants, but as well as the Client Service Bureau, USAC reviewers, and service providers. It will add additional steps to an already extensive process.

### **III. ELIGIBLE SERVICES**

We encourage the FCC to consider a few suggestions in regards to the Category 2 eligible services. Because filtering is an E-Rate requirement in relation to CIPA compliance and

is often bundled with firewall services, we are suggesting that filtering services be an eligible Category 2 service. Because cybersecurity is such an integral part of educational network management, at the very least, advanced firewall, DDOS mitigation, and intrusion detection should be an eligible component as well. Applicants are spending considerable amounts of their technology budget to protect and ensure the safety of all district needs related to cybersecurity. Incorporating the eligibility of these services would significantly benefit applicants. We also believe combining all three categories of services (internal connections, basic maintenance of internal connections, and managed internal broadband services) will eliminate some of the competitive bidding issues applicants are experiencing. We also encourage the consideration of including software, maintenance, and licensure to operate equipment in the eligibility of each specific equipment request.

#### **IV. CONCLUSION**

We have seen significant improvements in relation to the Second Modernization Order. Our internal data, as well as USAC's data, has shown these changes to be improving the overall success of the program. We believe with some continuing improvements, this program will continue to assist in supporting the schools in our state.

Respectfully submitted,



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